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ABSTRACT

This study of work force illiteracy in the southern region of the United States reached the following five conclusions: (1) the problem is concentrated more among high school dropouts than among grade school dropouts who never learned to read; (2) the South risks creating a permanent, massive pool of undereducated citizens unable to support themselves, at a time when shortages of skilled workers are emerging as a critical barrier to economic progress; (3) the South's response to the literacy problem is seriously inadequate; (4) the poor quality of literacy and adult education programs is as serious as the small quantity of adults served; and (5) resolution of the South's problem is unlikely without federal leadership in the form of enhancing the quality and accountability of adult literacy programs, establishing labor force development as a direct goal of Adult Education Act programs, and increasing financial support for adult literacy education. The study's methodology included examination of quantitative data on the changing demands of the workplace and on the educational attainment and functional literacy skills of southern adults; a literature search on literacy and its relation to the southern economy; phone interviews with adult education officials in 14 southern states; and personal and phone interviews with more than 100 economists, educators, demographers, executives, economic developers, and job trainers. (CML)

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Meeting the Economic Challenge of the 1990s:

Workforce Literacy in the South

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	Address					
College (Under-graduate)	Name	From		☐ Yes ☐ No		
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A Report for

THE SUNBELT INSTITUTE

The Center For Regional Perspectives On National Policy

by

MDC INC.

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Meeting the Economic Challenge of the 1990s:

Workforce Literacy in the South

A Report for the
Sunbelt Institute

by
Richard A. Mendel
MDC, Inc.
Chapel Hill, NC
September, 1988

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Research for this report was conducted by a team including Jimmy Allred, Tom Faison, Jim Lott, and Richard Mendel. Though more than a hundred individuals were interviewed for the report, MDC would like to offer special thanks to Sharon Darling, Arlene Fingeret, Karl Haigler, and Stu Rosenfeld. MDC would also like to thank Nan Bell, Gene Conti, and Keith Henderson for their contributions to the report.

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PREFACE

In many ways, the fourth Congressional district in North Carolina and the fifth district in Kentucky are a world apart. North Carolina's fourth district, which includes part of the Research Triangle Park as well as N.C. State University in Raleigh and the University of North Carolina in Chapel Hill, has perhaps the highest proportion of PhD's of any congressional district in the nation. By contrast, in several of the 28 Appalachian counties included in Kentucky's fifth district, more than two-thirds of the adults lack a high school diploma.

Yet these two Southern worlds have something in common—a growing literacy problem. In the Research Triangle area, where the unemployment rate is less than 3 percent, the few adults available for work tend to be poor and undereducated, ill-prepared for the high technology, information-age jobs which open up each day in the area's booming economy. Local officials at IBM say that soon even entry-level jobs at their facilities will require two years of post-secondary education, but the dropout rates in local high schools continue at 25-35 percent.

In eastern Kentucky, where unemployment rates run into double-digits, there is no shortage of adults looking for work. Workers displaced from traditional industries like coal mining and tobacco farming, however, are often ill-prepared for jobs emerging in the economy which require new skills. When Jerry Weaver of Mid-South Industries decided to locate a new manufacturing plant in his home town of Annville, Kentucky, he had to spend six months training potential employees not just in manufacturing skills but also in basic English and math.

Functional illiteracy and limited education are not new to North Carolina and Kentucky, or to the South—particularly for minorities and residents of rural areas like Appalachia. Fortunately, Southern literacy skills have improved significantly over the course of this century, and many of those adults who lack basic literacy skills today are older, in their sixties and seventies, products of weak public education systems that have since been strengthened throughout most of the South.

Yet the economic and social costs associated with the remaining educational deficit are rising dramatically. Demand for increased literacy skills across the spectrum of occupations presents a critical economic challenge for our region. In short, in an era when "competitiveness" is a national priority, functional literacy is the South's number one competitiveness issue.

This study was initiated by the Sunbelt Institute to inform the South's Congressional delegation about the economic implications of illiteracy for our region and the status of current efforts to overcome the problem.

Specifically, we asked MDC, Inc., a nonprofit policy research corporation in Chapel Hill, North Carolina, to call upon its twenty years of experience in issues of education, job training, and economic development in examining three related questions:

1) What is the extent of the literacy problem in the South as it relates to our region's economic growth and productivity?
2) What are the strengths and weaknesses, gaps and overlaps of existing public and private efforts to teach undereducated adults?
3) How can the Congress act to strengthen and reinforce these efforts and ensure a literate and competitive workforce in the South?

In preparing this study, MDC staff visited several literacy and adult education programs, spoke with adult education administrators in fourteen Southern states, and sought advice from dozens of experts—including labor market economists, computer specialists, job trainers, adult educators, and employers. In addition, MDC examined a wide range of data and literature related to literacy and gathered information on the spectrum of public and private efforts to improve the literacy skills of undereducated Southern adults.

MDC's findings are stark, but its recommendations begin to point the way toward an effective, systematic approach to closing the literacy gap which now threatens our region's economic future. This approach recognizes that while the problem of workforce literacy is particularly acute in the South, it is also a national problem—one that requires the federal government to play an important role.

The report reminds us that if the Southern labor force is to be competitive in the future, we in Washington must renew our commitment to literacy and adult education. At the same time, the report warns that literacy is not a problem at which we can simply throw money and expect results. We must work hard to ensure that the dollars we allocate for this literacy struggle are spent wisely.

David Price
Member of Congress
Fourth District
North Carolina

Harold Rogers
Member of Congress
Fifth District
Kentucky

EXECUTIVE SUMMARY

This report examines the nature and extent of workforce illiteracy in the South and its effect on the region's economy. The report documents the growing gap between the literacy skills of the Southern workforce and literacy demands of the emerging labor market, and it describes what is being done now—and what needs to be done in the future—to enable Southern workers to meet the challenges of a new economy.

During the course of this four-month study, MDC examined the available quantitative data on the educational attainment and functional literacy skills of Southern adults and also on the changing demands of the workplace. MDC conducted an extensive literature search on literacy issues and their relation to the Southern economy, and it gathered information by phone from adult education officials in fourteen Southern states.

In addition, through personal and phone interviews, MDC solicited insights and opinions from more than a hundred economists, educators, demographers, business executives, economic developers, and job trainers concerned with the literacy problem.

The report finds that the South is not responding effectively to the growing problem of workforce illiteracy. Despite increasing concern in the region, present and planned initiatives will not resolve the literacy problem. The report warns that spending more money to expand existing efforts is not the answer. Instead, fundamental changes are needed to make literacy and adult education programs more professional, more responsive, and more accountable.

The report bases these assertions on five essential conclusions:

1. The South's literacy problem is changing...

The South's literacy challenge is concentrated more and more among high school dropouts with limited literacy skills rather than grade school dropouts who never learned to read, write, add, or subtract. Seventy-seven percent of adults in the South with 0-8 years of education were at least 45 years old in 1980—and will turn 65 by the year 2000, the report notes. At the same time, almost two-thirds (63.7 percent) of all school dropouts in the South ages 20-44 have completed at least nine years of school.

2. The economic costs of illiteracy are rising...

The report finds that while educational attainment in the South has improved substantially over the course of this century, the costs of inadequate literacy in the South continue to mount—the result of rising skill demands brought on by automation and increasing competition from low wage labor in the Third World.

In 1967, more than 40 percent of all jobs in the U.S. were held by individuals who lacked a high school diploma. Today, dropouts hold less than 15 percent of all jobs. And by 1990, three out of every four new jobs in America will require education or training beyond a high school degree. As a result, the report says, the South is at risk of creating a permanent, massive pool of undereducated citizens unable to support themselves in the primary labor market at a time when shortages of skilled workers are emerging as a critical barrier to general economic progress.

3. The South's response to the literacy problem is seriously inadequate...

Every level of government, as well as the private sector, has paid increasing heed to literacy in recent years. Yet the report concludes that existing efforts to address the literacy deficiencies of adults in the South do not come close to meeting the overall need. Barely one million of the 18.7 million adults in the South without high school credentials are in the process of upgrading their literacy skills and seeking a high school degree or equivalency. And 204,635—just 1.1 percent of the adult non-graduates—earned a high school degree or equivalency in 1986.

The report explains that the majority of literacy and adult education instruction is of-

fered through programs supported by the federal Adult Education Act. These programs served one million adults in 1986—5.4 percent of the adult non-high school graduates in the region. The report also examines literacy services provided through post-secondary vocational and technical schools, through the federal Job Training Partnership Act, through the business community, and through volunteer literacy groups, community-based organizations, and libraries. It finds that none is teaching literacy skills to a large number of undereducated adults.

4. The quality of literacy and adult education programs is as serious a problem as the quantity of adults served...

The report asserts that the literacy problem will not be solved by increasing the budgets of existing programs to do more of what they have been doing. A number of common problems which limit the effectiveness of existing literacy efforts are cited. For instance:

- the vast majority of adult education instructors work either part time (57 percent) or as volunteers (33 percent), and teacher training is often cursory;
- instructional materials are often outmoded, and relatively few adult learners are taught through computer-assisted instruction—despite the fact that such instruction offers the promise to accelerate significantly the pace of learning;
- though no reliable data exist, literacy experts concede privately that as many as half of all adults who enter adult education classes leave within a short period without improving their literacy skills significantly; and
- the Adult Education Act does not hold states and localities accountable for program outcomes—and, in fact, the system does not require programs to measure or report meaningful indicators of student progress.

The report also finds that most adult education programs are unable to tailor their training to the specific literacy skills required for success in the workplace.

5. Without federal leadership, successful resolution of the South's literacy challenge is unlikely...

The report finds that an accountable, responsive, and comprehensive system for teaching undereducated adults will not evolve in the South or elsewhere unless Congress reshapes the federal role in literacy and sets more specific goals for its literacy programs. It notes, however, that states and communities, citizens, and private employers must also take greater responsibility for improving the literacy of the Southern workforce.

Specifically, the report cites three primary needs on which the federal government must concentrate:

1. Enhance the quality and accountability of adult literacy programs. Specifically, the Department of Education must respond to the needs for data, program research, training, effective use of technology, support for alternative literacy providers, and accountability;
2. establish "labor force development" as a direct goal of Adult Education Act programs by planting seeds for public/private workplace literacy partnerships at the state and local levels, and by establishing a closer link between adult education programs and occupational and vocational training provided through community and technical colleges and the Job Training Partnership Act; and
3. increase financial support for adult literacy education from all sectors by continuing to educate the public about the problem, by increasing the required state and local government matching funds for adult education programs, by encouraging greater private sector involvement and support, and by increasing the federal allocation for adult education—provided the funds are targeted to needs for increased program quality and more effective efforts in labor force development.

The report concludes that "the fires of illiteracy still burn in the South," threatening to consume the region's prosperity. Current state and local efforts to combat these flames are likened to "an old-fashioned bucket brigade"—admirable, but too often inadequate. As the report says, "the time has come for the federal government to reassume a leadership role in the literacy struggle—setting the tone and providing the necessary information, support, and direction on which a successful system of literacy instruction can be built in the South and nationwide."

INTRODUCTION

In Washington, D.C., and in state capitals around the South and the nation, concern about literacy is higher today than ever before. The federal Adult Literacy Initiative, working with ABC and PBS television, has focused considerable public attention on the problem. Polls now show that the percentage of Americans concerned about illiteracy has grown to 71 percent, up from 40 percent in the early 1980s.

Rising skill demands have driven millions of Southerners out of the primary labor force in the past two decades. Once able to thrive in agriculture, mining, and labor-intensive manufacturing, these undereducated workers become candidates for poverty, welfare dependency, and crime...

Much of the publicity surrounding literacy in recent years has focused on the plight of adults who lack the ability to read and write. Indeed, we know that the human costs of illiteracy are great, particularly in the South where education has been too often neglected in the past. But illiteracy is more than a human tragedy: It is also an economic threat of significant proportions.

Rising skill demands have driven millions of Americans, millions of Southerners, out of the primary labor force in the past two decades. Once able to thrive in agriculture, mining, and labor-intensive manufacturing, these undereducated workers become candidates for poverty, welfare dependency, and crime—pathologies which extract a heavy price on our region both economically and socially. Meanwhile, shortages of educated and skilled workers become an increasing barrier to the competitiveness of Southern business and industry.

The data compiled for this report show that a solution to the literacy problem is not yet within our grasp. In fact, it is nowhere in sight. There are 18.7 million adults in the South who lack high school diplomas, including more than ten million who never finished the ninth grade. Yet just one million adults enroll in literacy or adult education programs each year. And in 1986, only 204,635—1.1 percent of the undereducated population—received a general equivalency degree (GED) or adult high school diploma.

Moreover, the South's efforts to promote literacy are limited as much by the quality of instruction offered to undereducated adults as the quantity. Adult education and literacy classes often fail to meet the needs of adult learners. Most classes are taught by volunteers or part-time professionals with little training, and the curricula and materials used in these classes often lack relevance for adult learners. Also, in many cases, classes are not offered at times or locations convenient to potential students. As a result, dropout rates for adult education and literacy classes typically run 50 percent or higher.

...two decades ago only a handful of adult literacy programs existed in the South...Nationwide enrollment in adult education classes stood at just 38,000 in 1965. Since then, spurred by the passage of the federal Adult Education Act in 1966, a rudimentary network of literacy instruction has been established throughout the South.

While these figures are alarming, it is important to recognize that two decades ago only a handful of adult literacy programs existed in the South. In fact, nationwide enrollment in adult education classes stood at just 38,000 in 1965.

Since then, spurred by the passage of the federal Adult Education Act in 1966 (and, to a much lesser extent, the emergence of two national volunteer literacy organizations), a rudimentary network of literacy instruction has been established throughout the South. Unlike

twenty years ago, at least some level of literacy services is provided in nearly every Southern community—from the Appalachian coal fields to the Mississippi Delta to the inner cities of Atlanta and Memphis.

The establishment of this network has been an important step, but just a first step toward developing the kind of comprehensive, responsive, accountable system of literacy instruction that will be needed in future years if the South is to control the economic and human costs of illiteracy.

In its report, "Halfway Home and a Long Way to Go," the 1986 Commission on the Future of the South complained that "reaching so few functional illiterates with such scant financial assistance is like throwing snowflakes on a fire."[1]

The fires of illiteracy still burn out of control in the South. And while Southern efforts may amount to more than snowflakes, they can be described as something akin to a bucket brigade of ill-prepared and underequipped fire fighters. Getting the fires of illiteracy under control in the South will require more—more professionalism, more materials, more and better technologies, and more resources. To quote a recent report on the subject, "The pioneer days are over."[2]

As in any study of the literacy issue, this report contains an endless web of statistics and trends, issues and arguments. Beneath them, however, emerges a simple truth: The time for federal action has come—bold action to ensure that state, local, and regional efforts to close the Southern literacy gap, and the literacy gaps of other regions, have a chance to succeed.

[1] *Halfway Home and a Long Way to Go: The Report of the 1986 Commission on the Future of the South*, Southern Growth Policies Board, 1986, p.13.

[2] *Pioneers and New Frontiers: The Role of Volunteers in Combating Adult Illiteracy*, Business Council For Effective Literacy, May 1985, p. 33.

THE SOUTHERN LITERACY GAP

Seven years ago, Standard Tool Company located a new branch plant in Pinedale[1], a rural county of about 15,000 people located in the Carolinas. The company, based just outside of Pittsburgh, Pennsylvania, planned to hire a hundred workers and make the new plant its primary manufacturing facility. Pinedale's main attraction was cost: Land, labor, and taxes promised to be far cheaper in this rural Southern community than in the suburbs of Pittsburgh.

Today, however, the workforce at the Pinedale plant stands at just 25. Meanwhile, the corporation has expanded operations at the old plant in Pennsylvania. According to the Pinedale plant manager, the reason for the company's change of plans is simple: There aren't enough literate workers in the Pinedale area.

As of 1980, only 46 percent of Pinedale's adults had high school diplomas, while one-third had never gone past the eighth grade. And, says the plant manager, "Children coming out of the [public] schools here don't have even rudimentary skills. Often, job applicants take as long as two hours to fill out a simple job application. And the finished forms frequently resemble the work of young children."

"We need our employees to have the basic skills," the manager says, "to do simple mathematics and follow [written] instructions... But we are dealing with a workforce that is virtually illiterate."

The bottom line, he says, is that worker productivity per man-hour is "probably twice as high back in Pennsylvania as here, and that may be a conservative estimate."

For more than a century, an abundant pool of unskilled labor served as the engine of the Southern economy—on the farm, in the mine, and, increasingly over time, in the labor-intensive manufacturing plant. Since President Franklin Roosevelt called the South the "nation's number one economic problem" in the 1930s, our region has steadily narrowed the gap in wealth and income with the rest of the nation.

Yet the South remains today the nation's poorest region—and its least educated. Meanwhile, changes in the economy—automation, competition from low-wage plants in the Third World, rapid shifts in employment from traditional goods-producing industries to more technologically advanced trade and services—have significantly heightened the literacy skills demanded of the workforce.

America has no standard definition of literacy or illiteracy. In fact, there is a growing consensus among experts in the field that literacy should not be defined as any particular level of educational attainment or any specific set of skills. Rather, literacy must be seen as a continuum of basic and applied skills measured against the increasingly complex demands of society and the workplace.

As we look to the future, the questions loom: How serious are the skills deficiencies of Southern workers? And how much of an impact will these deficiencies have on the Southern economy in the coming years?

A Statistical Swamp

Several years ago, editorial writer Ferrel Guillory decided to write a column on illiteracy for his paper—the *News and Observer* in Raleigh, N.C. He began his research with a simple question: How many illiterates are there in North Carolina? Despite talking with numerous experts, he never found an answer.

Guillory devoted a column to describing the "muddy trail of squishy statistics" through which he had wandered. "In a state in which about 30,000 young people drop out of high

[1] Both the name of the company and its location have been changed. The case is real.

school annually," he wrote, "a problem of inadequately educated adults obviously exists... But getting a true picture of the problem and dealing with it effectively demands that...government pull the issue out of its statistical swamp."[2]

America has no standard definition of literacy or illiteracy. In fact, there is a growing consensus among experts in the field that literacy should not be defined as any particular level of educational attainment or any specific set of skills. Rather, the experts are saying, literacy must be seen as a continuum of basic and applied skills measured against the increasingly complex demands of society and the workplace.[3]

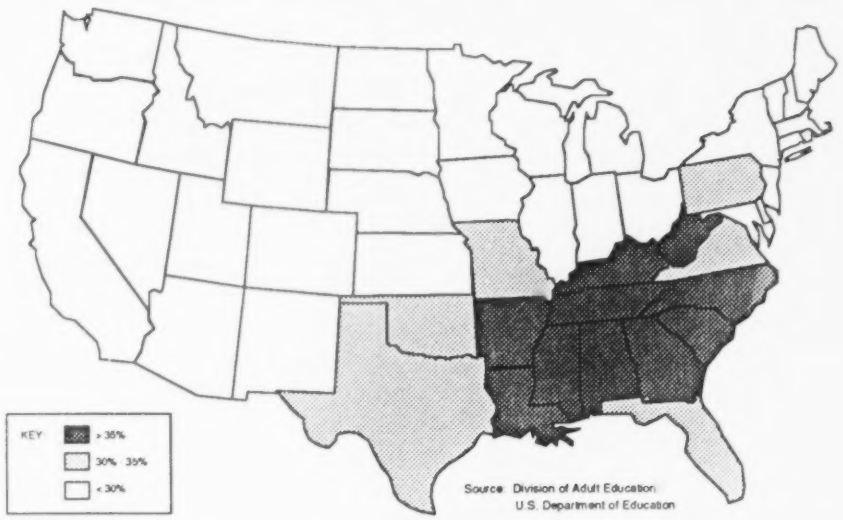
Ideally, public policy for addressing adult illiteracy should be framed by comparing the literacy skills of the adult population with the literacy demands of the workplace and then planning remedial education programs to fill the identified gaps. Unfortunately, as Guillory found, we have few accurate indicators either of the functional literacy skills of the adult population or the changing literacy demands of the workplace. What we do know, however, should cause us great concern.

The Least Educated Region

Data on the educational attainment of Southern adults are by no means a precise measure of functional literacy. Arkansas' Sam Walton, the wealthiest man in America, never attended high school. Meanwhile, 30 percent of English speaking adults in the U.S. who failed a simple literacy test in 1982 were high school graduates.

Nonetheless, educational attainment remains the only proxy available to estimate functional literacy, and data from the 1980 Census show that the South is by far the nation's least educated region. In each of the fourteen Southern states, at least 30 percent of the adult population (those sixteen and older not enrolled in secondary schools) lacked a high school diploma in 1980. Of the remaining 36 states, in only three did more than 30 percent of the adults lack a diploma. Overall, 35.7 percent of Southern adults lacked high school credentials, compared to 30.3 percent for the nation as a whole. And 19.4 percent of Southern adults had eight years of education or less, compared to 15.3 percent of the adult population for the entire United States.

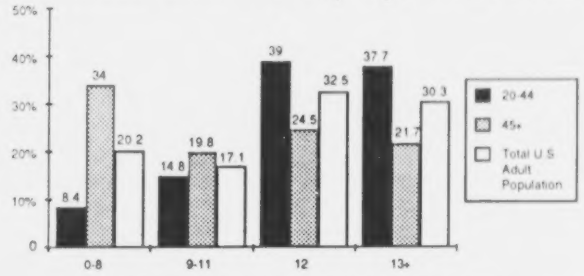
Figure 1
Percentage of Adults Lacking a High School Diploma, 1980



[2] Guillory, Ferrel, "Adult Literacy Statistics Mired in Statistical Mud," *The News and Observer*, Raleigh, NC, May 29, 1981.

[3] Perhaps the most widely accepted definition of literacy comes from the National Assessment of Educational Progress, which defines literacy as "using printed and written information to function in society, to achieve one's goals, and to develop one's knowledge and potential."

Figure 2
Educational Attainment by Age in the South*



*Data refer to Delaware, Maryland, and the District of Columbia, in addition to the fourteen states under consideration in this study.

Source: U.S. Census

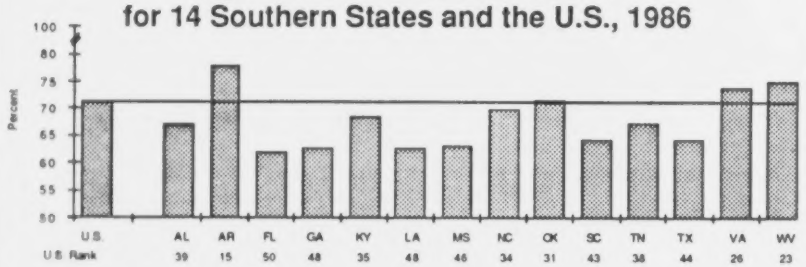
Minorities and rural residents are disproportionately represented in the South's undereducated population. Only 50 percent of rural adults in the region are high school graduates, compared to 66.5 percent of adults in the metropolitan South.[4] Meanwhile, less than half of all black and Hispanic adults in the South have high school degrees, compared to 65.7 percent of white adults.

While these figures are commonly cited, they can be misleading indicators of future workforce literacy. For instance, although the South has more adults with 0-8 years of education than with 9-11 years, the figures mask the sharp differences between younger and older adults. Seventy-seven percent of all adults in the South who never went to high school were 45 years or older in 1980—i.e., they will reach retirement age by the year 2000. Meanwhile, almost twice as many young adults in the South (those 20-44 in 1980) have 9-11 years of education as have 0-8 years.

Despite a wave of public school reform in the 1980s, the South continues to lag behind the rest of the nation in the education of its youth. Several Southern states rank among the nation's lowest in the graduation rates of their public school students. Overall, dropout rates in the South range from a low of 22 percent in Arkansas to a high of 38 percent in Florida. Ten of fourteen Southern states suffer dropout rates above the national average of 28.5 percent.

Taken together, the data suggest strongly that the workforce literacy problem in the South will be concentrated increasingly among high school dropouts with limited literacy skills rather than grade school dropouts who never learned to read, write, add, or subtract. Moreover, while basic academic skills are increasingly important in the emerging workplace, they are not in and of themselves sufficient. More and more, functional literacy will require the capacity to interpret data and information, to read and understand business forms, charts, blueprints, and other complex information—to master what are often termed "critical thinking skills."

Figure 3
High School Graduation Rates*
for 14 Southern States and the U.S., 1986



Graduation rate equals the number of students graduating from high school in 1986 divided by the number of students entering 9th grade four years earlier.

Source: U.S. Department of Education

The Increasing Demands of Tomorrow's Jobs

The median job created in the U.S. economy between 1984 and 2000 will require 13.5 years of education, compared to an average of 12.8

[4] See Rosenfeld, Stuart A., Edward M. Bergman, and Sarah Rubin, *After the Factories: Changing Employment Patterns in the Rural South*, Research Triangle Park, NC: Southern Growth Policies Board, January 1986.

years today, according to the Hudson Institute.[5] Looked at another way, while 40 percent of existing employment is found in lower-skilled jobs, only 27 percent of emerging jobs will require lower skills. On the other hand, higher skill jobs make up 24 percent of existing employment but 41 percent of projected new employment.

The workforce literacy problem in the South will be concentrated increasingly among high school dropouts with limited literacy skills rather than grade school dropouts who never learned to read, write, add, or subtract.

This increasing demand for skilled workers will be especially challenging over the next several decades as the number of new entrants to the labor force declines. The number of young workers in America ages 16-24 will dwindle by almost two million between now and the year 2000, as the "baby boom" generation is superseded by a "baby bust". Meanwhile, an increasing proportion of the new entrants will be minorities, immigrants, and the poor.

In short, as fewer new workers enter the labor force, each individual—new workers as well as those already in the labor force—becomes increasingly vital. Yet, without additional education and training, skill deficiencies will prevent many of these needed workers from taking advantage of emerging jobs and playing a productive role in the emerging economy.

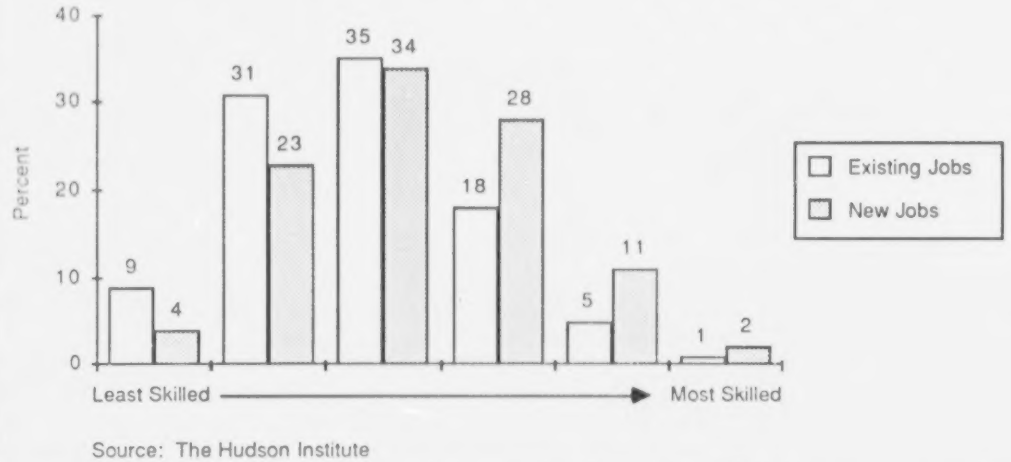
The South's Special Challenge

These trends promise to be particularly challenging for the South. One reason for this, clearly, is the South's historic—and continuing—educational deficits. Another is the South's continued reliance on traditional goods-producing industries that are in the midst of profound structural changes. These challenges will be especially acute in the rural South, which has suffered considerably in the 1980s and which remains the least educated part of the country and the most dependent on traditional industry.

Consider the textile industry, for decades a mainstay of the Southern economy and a source of employment for hundreds of thousands of Southern workers. Since 1980, low-wage for-

More and more, functional literacy will require the capacity to interpret data and information, to read and understand business forms, charts, blueprints, and other complex information—to master what are often termed "critical thinking skills."

Figure 4
Increasing Skill Demands in the U.S. Labor Market



Source: The Hudson Institute

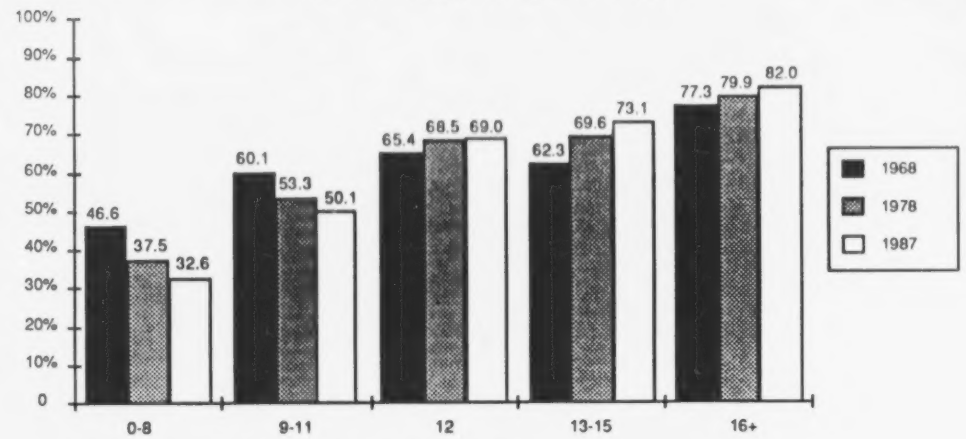
[5] *Workforce 2000: Work and Workers for the 21st Century* (Washington, DC: Hudson Institute, June 1987).

eign competition has taken a large bite out of the market share of U.S. firms—increasing imports from 4.9 billion square yards in 1980 (17 percent of the domestic market) to 12.9 billion in 1986 (36 percent of the domestic market).[6] This threat has pushed U.S. plants to accelerate their investments in automated manufacturing technologies—a strategy which has helped promote recovery of the industry.

These changes have had dramatic impact on the skills demanded of the workforce. The ratio of laborers and operators to more skilled workers in the textile industry has been steadily declining, from 4.2:1 in 1975 to 3.5:1 in 1985. Moreover, even low-level employees are now being asked to operate highly sophisticated new equipment. While this equipment reduces the difficulty of many tasks, the new emphasis on quality control and flexible production requires that workers perform a greater variety of tasks and that they have a broader understanding of the overall production process.

This notion that automated technology increases the skill demands on production workers—rather than "deskilling" the jobs—was supported by a recent survey of automated manufacturing plants in the rural South conducted by the Southern Technology Council. Almost four out of every five managers surveyed—in textiles and other industries—reported that new technologies increased the skill requirements on their employees.[7]

Figure 5
Labor Force Participation Rates by Educational Attainment in the U.S., March 1968, 1978, and 1987



Source: Bureau of Labor Statistics, U.S. Dept. of Labor

As fewer new workers enter the labor force, each individual—new workers as well as those already in the labor force—becomes increasingly vital. Yet, without additional education and training, skill deficiencies will prevent many of these needed workers from taking advantage of emerging jobs and playing a productive role in the emerging economy.

Not surprisingly, several of the plants surveyed encountered difficulties when they attempted to train their employees to operate new machinery. For instance, a personnel manager at an engine manufacturing plant in the Carolinas confided: "We had beautiful training programs and trainers, and we found it wasn't taking.... We were finding that we had to back up and teach remedial math, remedial English."[8]

Even more significant than the changing skill demands within traditional industries like textiles is the steady shift in employment away

[6] See Bailey, Thomas, *Education and the Transformation of Markets and Technology in the Textile Industry*, National Center on Education and Employment, Teachers College, Columbia University, October 1987.

[7] See *Reviving the Rural Factory: Automation and Work in the South*, Southern Technology Council, 1988.

[8] Ibid.

from manufacturing and into other sectors like trade, government, and services. In 1974, the U.S. textile industry employed 965,000 workers. By 1980 this number had declined to 848,000, and in 1986 textile employment slipped to 709,000.[9] While textile employment has rebounded somewhat since 1986—the result of capital investments and a weakening dollar—long-term employment trends point toward a steady shift away from manufacturing and into service-related industries. And contrary to popular perceptions linking the service sector to jobs behind the cash registers of fast food parlors, emerging service sector jobs will on the whole require much higher skill levels than the average job today. As the Hudson Institute puts it: "Very few new jobs will be created for those who cannot read, follow directions, and use mathematics."[10]

Contrary to popular perceptions linking the service sector primarily to jobs behind the cash registers of fast food parlors, emerging service sector jobs will on the whole require much higher skill levels than the average job today.

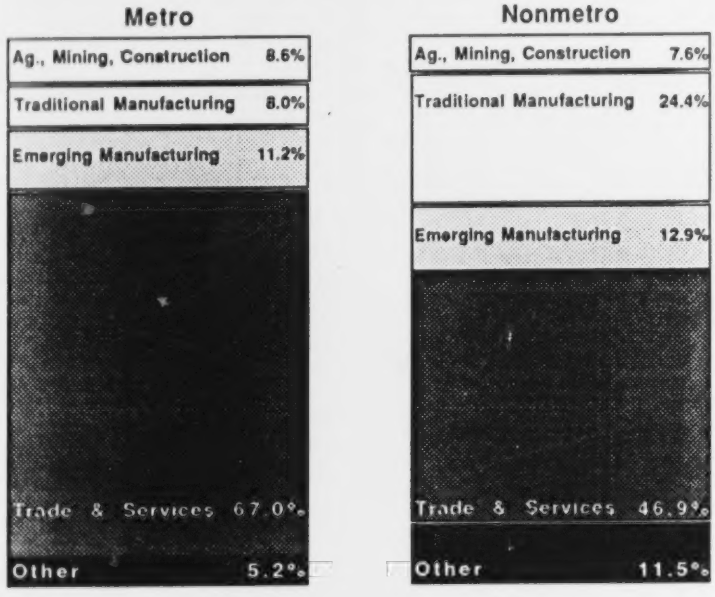
The Rising Cost of Illiteracy

Functional illiteracy presents a clear, growing danger to the South's prosperity. For undereducated individuals, the barriers to productive employment grow larger each year. Since 1967, the proportion of adult dropouts who participate in the labor force—either by working or actively seeking work—has dwindled from 52.3 percent to 42.8 percent today. Meanwhile, the average earnings of male dropouts ages 20-34 in Alabama, Florida, Georgia, Mississippi, and the Carolinas declined by 35.5 percent between 1973 and 1985.[11]

And it is not only the undereducated worker who is affected by these rising skill demands, but also employers like Standard Tool Company and taxpayers throughout the region. The U.S. Department of Labor's regional office in Atlanta recently attempted to estimate the costs of illiteracy in eight Southern states—using data and projections from the National Planning Association, the U.S. Census, the U.S. Bureau of Labor Statistics, and other sources.[12] Of an estimated 12.1 million functionally illiterate adults, the report found that:

- 7.3 million were not in the labor force—costing the economies of those states $31 billion per year in "lost business productivity, unrealized tax revenues, welfare, crime, and related social problems";
- another 3.6 million undereducated adults were employed, costing employ-

Figure 6
Nonagricultural Employment by Industry Sectors, Metro and Nonmetro in 12 Southern States, 1984



Source: Southern Growth Policies Board

[9] See Bailey.
[10] See *Workforce 2000*.
[11] Data provided by Andrew Sum, Director of the Center for Labor Market Studies, Northeastern University.
[12] *Looking to the Year 2000: A View from the Southeast*, U.S. Department of Labor, Atlanta GA, 1988.

ers $24.8 billion annually in "lost time, substandard performance, and various employment-related problems"; and

- the final 1.2 million were in the workforce but officially unemployed, consuming $1.4 billion per year in unemployment insurance funds.

In all, the report concluded: "Conservatively, adult literacy problems are already costing the Southeast regional economy $57.2 billion annually or $4,727 per adult illiterate. This estimated annual cost amounts to $^1/_5$ of the region's total business earnings in 1985."

These estimates, of course, are highly speculative—based on imprecise measures of illiteracy and unproven assumptions on the contribution of illiteracy to various social and economic ills. What is clear, however, is that the costs of inadequate literacy in the South are growing.

"Conservatively, adult literacy problems are already costing the Southeast regional economy $57.2 billion annually or $4,727 per adult illiterate. This estimated annual cost amounts to $^1/_5$ of the region's total business earnings in 1985."

"Modern industrial armies require good privates and corporals as well as good generals...," economist Lester Thurow commented recently in *Science* magazine.[13] In the face of increasing international competition and rapid automation, the privates and corporals of the Southern workforce are increasingly ill-prepared.

The need for basic training is self-evident.

[13] Thurow, Lester C., "A Weakness in Process Technology," *Science*, December 1987, p. 1661.

THE SOUTHERN LITERACY CAMPAIGN: A LOOK BACK IN TIME

The growing costs of the Southern literacy gap have not escaped the attention of the South's policymakers in the 1980s. Responding to this economic challenge, the South has made great strides in recent years to bolster the quality of education afforded to the young. Increasingly, state and local policymakers, along with business leaders and private citizens, are speaking of the need to address the educational needs of Southern adults who lack essential literacy skills.

Talk about adult literacy has generated action in many Southern states. For instance:

- Arkansas has appropriated more than $8 million for adult education programs in 1988-89—a significant increase over prior year funding. As in several Southern states, a Governor's literacy commission will soon suggest a number of new literacy programs and policies;
- Florida, which boasts by far the most comprehensive adult education system in the South, recently passed legislation to require a county-by-county planning process to ensure that local programs adhere to literacy goals set by the state. And Florida is in the process of establishing a statewide "literacy corps" manned by college students who will receive academic credit for tutoring;
- Georgia recently passed legislation to transfer responsibility for adult education programs away from public schools and into the community colleges—in the hope the community colleges will be better prepared to work with adult learners and to link academic instruction with job-specific training;
- Kentucky has pioneered in the use of television as a means of providing instruction to undereducated adults; and it is home to a nationally recognized model for family literacy—teaching undereducated parents while providing pre-school education to their children;
- Mississippi, the poorest state in the nation, made a special appropriation of $1 million in 1987 for grants to develop and expand adult education programs. Also, recently elected Governor Ray Mabus and his wife are now planning a major literacy initiative for the state;
- in 1985, the North Carolina legislature purchased 1,000 microcomputers for use by the state's community colleges in their adult education programs. And in July 1988, the Governor's Commission on Literacy released a report identifying six key literacy goals for the state and outlining a range of proposals to meet them;
- South Carolina has recently hired a workforce specialist at each of its technical colleges to coordinate and market adult education and literacy services to employers;
- Tennessee has more than doubled its budget for adult education programs since 1986, expanding the number of counties with active literacy programs from 56 to 91; and
- Virginia, which historically has been one of the least active states in combatting illiteracy, formed a private Virginia Literacy Foundation that has raised more than $2 million for literacy programs in 1988. Meanwhile, state funding for adult education has more than doubled to over $2 million per year. In addition, prison inmates have been encouraged to improve their literacy skills through a program called "no read, no parole."

A Lesson from the Past

While this increased attention toward literacy is encouraging, it is not unprecedented. In the early part of this century, several Southern states launched campaigns to eradicate illiteracy. For instance, Alabama governor Charles Henderson announced in 1915 his intention to

"wipe away the black stain" of illiteracy by establishing summer education programs—called Opportunity Schools—in which illiterate adults could be taught to read and write. Following the governor's message, dozens of Opportunity Schools sprang up throughout Alabama—organized and operated by local boards of education.[1]

In many counties, however, Opportunity Schools never opened. And often schools would operate one year and then not the next. Despite the strident tone of his message, Governor Henderson declined initially to appropriate any state money for these Opportunity Schools, preferring to rely on donations solicited by local women's clubs. In a typical year, about 3,000 Alabamans attended the Opportunity Schools—less than one percent of the 360,000 illiterates counted in Alabama in the 1910 Census. Sadly, Alabama's Opportunity School program was abandoned in 1935.

"As long as the reduction of adult illiteracy remains a peripheral enterprise rather than a central mission of the educational system, efforts to eliminate adult illiteracy will remain in the last two decades of the 20th Century what they became in the first two decades—a lofty goal beyond the grasp of those who sought to reach it."

In 1984, Tennessee literacy expert James Akenson looked back on the history of the South's Opportunity School movement and saw in it some critical lessons for today. "As long as the reduction of adult illiteracy remains a peripheral enterprise rather than a central mission of the educational system," he wrote, "efforts to eliminate adult illiteracy will remain in the last two decades of the 20th Century what they became in the first two decades—a lofty goal beyond the grasp of those who sought to reach it."[2]

Literacy in the Twentieth Century

Scattered efforts to tutor and teach adult illiterates have been an ongoing reality in America since colonial times. Yet despite occasional literacy campaigns like the Opportunity School movement, these efforts have never been widespread. Historically, academic instruction has been the privilege of youth. Those who fail in school—or are failed by their schools—have rarely been reclaimed through adult education in later years.

The first systematic effort to teach illiterates in America did not come until the 1940s. And this effort was operated not by public schools or private volunteers but by the Army and Navy, which found during World War II that hundreds of thousands of their draftees could not read at even the fifth grade level. The services rejected many of these illiterate recruits, but more than a quarter of a million were accepted, then enrolled in and graduated from classes in basic education before being assigned to regular duty.

Following World War II, the military continued to provide basic education for functionally illiterate draftees, and it began to research and design new approaches for teaching literacy skills to adults. Outside of the military, however, adult literacy education remained a limited enterprise. There were no federal programs for literacy instruction, and only a handful of state governments had launched programs. A 1950 survey found that local school districts enrolled less than 30,000 adults in literacy classes nationwide. A 1959 survey found that virtually all of these local literacy programs were operating in the cities. In rural areas, where most of the South's illiterates lived, public literacy programs were practically nonexistent.[3]

It is only over the past twenty-five years that a more or less comprehensive network has emerged in America for teaching literacy skills to undereducated civilian adults. Its development has been made possible only through the active leadership of the federal government.

[1] See Akenson, James E., "The Southern Literacy Campaign 1910-1935: Lessons for Adult Learning in an Information Society," presented at the National Adult Education Conference (Louisville, KY, November 1984).

[2] Ibid.

[3] For a more thorough discussion of U.S. literacy efforts over time, see Cook, Wanda D., *Adult Literacy Education in the United States* (Newark, DE: International Reading Association, 1977), and *The Drive Against Illiteracy* edited by Irwin Isenberg (New York: H.W. Wilson Company, 1964). The Drive includes more than two dozen articles on literacy issues reprinted from newspapers, magazines, and public documents.

It is only over the past twenty-five years that a more or less comprehensive network has emerged in America for teaching literacy skills to undereducated civilian adults. While this network involves a wide range of state and local government agencies and departments, nonprofit organizations, private corporations, and citizen volunteers, its development has been made possible only through the active leadership of the federal government.

In 1966, Congress passed the Adult Education Act, initially providing $30 million per year for programs in basic literacy (for adults reading on less than a 4th grade reading level) and adult basic education (those with academic skills ranging from 5th to 8th grade). In 1970, Congress amended the Adult Education Act to include adult secondary education (for adults with academic skills at the ninth grade level who are seeking a high school diploma or equivalency). By that time, federal funding for the Act had grown to $50 million per year. These federal dollars are provided as grants to the states, which in turn pass the funds along to local school districts and nonprofit agencies which provide the instruction. The Act requires states and localities together to match their federal grants with at least 10 percent additional funding.

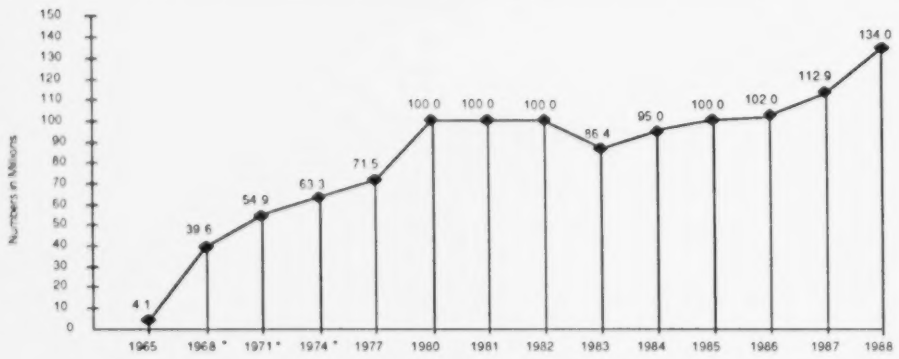
The passage of the Adult Education Act required states to maintain their own offices of adult education—many for the first time. These offices, typically housed in the state departments of education, have assumed several roles over the years: They allocate federal funds (and whatever state funds are appropriated) to local school districts and other providers; gather information about who is served in these local programs; and oversee the allocation and usage of funds set aside by the federal act for research and demonstration purposes. These set-aside funds—which account for 10 percent of the federal grants—allow states to provide training for teachers and staff of local adult education programs, evaluate periodically state and local adult education efforts, support private nonprofit literacy efforts, and launch new and innovative programs for adult education.

While federal funding for the Adult Education Act has been sporadic over time, the act has played a critical role in bringing about the first ongoing nationwide effort in American history to teach undereducated adults.

Federal funding for the Adult Education Act grew steadily throughout the late sixties and the seventies, reaching $100 million in 1980. Funding decreased in absolute terms during the early 1980s, but it has been rising again in recent years.

Despite the fluctuations in federal funding, enrollment in adult education classes has grown rapidly and consistently since the Act was passed twenty-two years ago. In 1965, nationwide enrollment in adult education classes was 38,000; by 1970 enrollment had increased to more than a half million. Enrollment passed the two million mark in 1980, and total participation in 1987 was more than 3.5 million.

Figure 7
Federal Spending for Adult Education, Selected Years Since 1965 (Millions of Dollars)

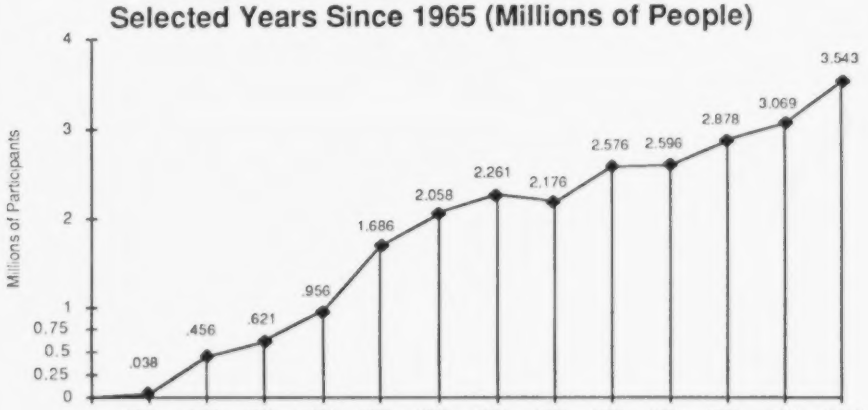


* Includes $8-10 million for special demonstration programs and teacher training. These national programs were discontinued after 1974.

Source: U.S. Department of Education, Division of Adult Education

This growing enrollment in adult education programs is evidence of the continuing maturation of state and local adult education programs—most of which were formed as a direct response to the Adult Education Act. In addition, state and local governments have begun to spend more on adult education programs: Nationwide, their reported spending has increased from $63 million in 1979 to more than $300 million in 1986, and because of the peculiarities[4] of the accounting system for adult education, these figures significantly underestimate the actual level of state and local investment. Thus, while federal funding for the Adult Education Act has been sporadic over time, the Act has played a critical role in bringing about the first ongoing nationwide effort in American history to teach undereducated adults.[5]

Figure 8
Participation in Adult Education Programs, Selected Years Since 1965 (Millions of People)



*1987 figure is an estimate
Source: U.S. Department of Education, Division of Adult Education

[4] Because of a provision in the Adult Education Act which requires states to maintain or increase their funding for adult education each year in order to qualify for their federal grants, many states report only part of their adult education budgets to the federal government.

[5] For more background on the Adult Education Act, see *A History of the Adult Education Act* (Washington, D.C.: National Advisory Council on Adult Education, November 1980).

SOUTHERN ADULT EDUCATION AND LITERACY PROGRAMS TODAY

In 1986, the Adult Education Act provided grants of $102 million to the states. Overall, the fourteen Southern states received $33.1 million from Washington in 1986 for adult education—roughly the same amount they received in 1980. Reported state and local funding for adult education was $37.6 million, but actual state and local expenditures amounted to at least $140.3 million. More than $100 million of these matching dollars were provided by a single state, Florida. Six other states—Arkansas, Louisiana, North Carolina, South Carolina, Texas and West Virginia—matched their federal appropriations at least dollar for dollar; each of the other seven states provided less than a 50 percent match.

Though the majority of adult dropouts in the South are older—in their fifties, sixties, and seventies—most students in adult education are young...It is these younger adults who must adapt to the technological change and international competition that will continue to buffet our economy into the twenty-first century; and it is younger adults who as parents will pass on an educational legacy to the children of the next generation.

Of the 1.1 million adults who participated in JTPA's main training program for adults in 1985, only 26 percent were dropouts. And just 7 percent of the participants were offered remedial instruction.

Southern states reported serving 1,001,558 students in adult education classes in 1986, 5.4 percent of adult non-high school graduates in the region. The percentages ranged from 1.3 percent in Virginia to 17.4 percent in Florida. In 1987, the number of students grew slightly to 1,050,808—5.6 percent of the dropout population.

Though the majority of adult dropouts in the South are older—in their fifties, sixties, and seventies—most students in adult education are

Table
Dollars Allocated to Adult Education Programs in the South, 1986
(Millions of Dollars)

State	Federal	State/Local	Total	State/Local Funds as a % of Federal Allocations
AL	1.966	0.490	2.456	25%
AR	1.621	2.382	4.003	147%
FL	4.365	103.201	107.565	2,364%
GA	1.898	0.915	2.813	48%
KY	2.034	0.270	2.304	13%
LA	2.073	6.381	8.454	308%
MS	1.467	0.156	1.622	11%
NC	3.152	12.040	15.192	382%
OK	1.351	0.169	1.519	13%
SC	1.480	3.890	5.370	263%
TN	2.049	0.375	2.424	18%
TX	6.019	7.876	13.895	131%
VA	2.515	0.947	3.462	38%
WV	1.098	1.225	2.343	112%
South	33.088	140.315	173.403	424%

Source: U.S. Department of Education, MDC, Inc.

young. Sixteen to 24 year-olds comprised 40.9 percent of the South's adult education students in 1986, while 25 to 44 year-olds comprised another 37.5 percent. From an economic standpoint, this concentration on younger adults can only be seen as positive: It is these younger adults who must adapt to the technological change and international competition that will continue to buffet our economy into the twenty-first century; and it is younger adults who as parents will pass on an educational legacy to the children of the next generation. Still, adult education programs are serving barely 10 percent of younger dropouts.

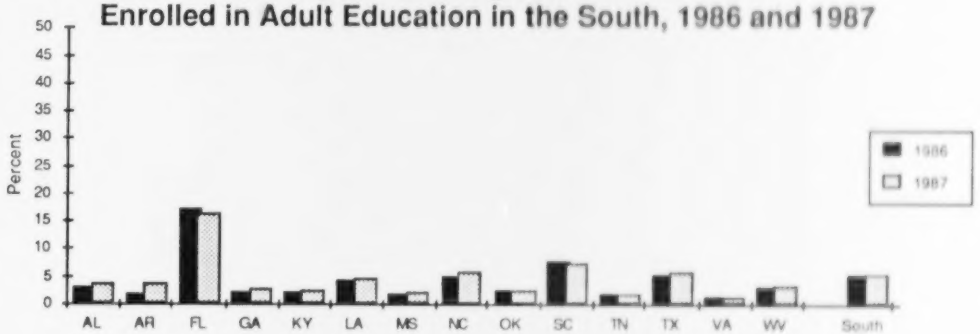
The Job Training Partnership Act

A number of parallel efforts have emerged in the past quarter century to offer literacy instruction to undereducated adults. A close look at these efforts, however, reveals that none provides anywhere near the scope of instruction delivered through Adult Education Act programs.

The Job Training Partnership Act, funded by the federal government with $4 billion per year, is the nation's primary employment and training program for the poor. Because of strict demands in JTPA for high job placement rates and low per-participant costs, local programmers tend to enroll the better educated of the poverty population and to emphasize quick job placements rather than long-term education and training.

Of the 1.1 million adults who participated in JTPA's main training program for adults in 1985, only 26 percent were dropouts. And just 7 percent of the participants were offered remedial instruction.[1] A similar pattern can be seen in JTPA's programs for dislocated workers. Of 170,000 adults enrolled in dislocated worker programs between 1982 and 1985, only 22 percent lacked a high school diploma, and just 6 percent received any remedial academic instruction.[2] According to Sar Levitan, director of the Center for Social Policy Studies, "To attain 'success,' local programs have tended to exclude the functional illiterates JTPA was presumably meant to serve."[3]

Figure 9
Percentage of Non-High School Graduates Enrolled in Adult Education in the South, 1986 and 1987



Source: U.S. Department of Education
Division of Adult Education

JTPA's summer youth employment program provides a greater degree of remedial instruction, but the vast majority of its participants are high school students. The Job Corps—a residential program aimed at dropout youth ages 16-21—provides remedial academic instruction to all of its participants, many of whom ultimately earn a GED. But the high per student cost of residential training has limited enrollment in the nation's Job Corps centers to 40,000 youth at a time.

In addition to these locally administered

[1]See Levitan, Sar A. and Frank Gallo, *A Second Chance: Training For Jobs* (Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, 1988).

[2]*Dislocated Workers: Local Programs and Outcomes Under the Job Training Partnership Act* (Washington, DC: General Accounting Office, March 1987).

[3]Levitan and Gallo.

training programs, JTPA provides set-asides of approximately $150 million each year for use by state educational agencies. According to the National Governors' Association, however, only one-fourth of the 100,000 participants in programs funded through these set-asides in 1985 received remedial education, English as a second language, or high school equivalency training.[4]

However, a few Southern states rely heavily on JPTA educational set-asides in their literacy and adult education efforts. South Carolina has recently hired a "workforce specialist" at each of the state's 16 technical colleges to market literacy, adult education, and vocational training programs to employers around the state. Kentucky and Mississippi both utilize JTPA funds to staff volunteer literacy councils. Tennessee has recently begun to allocate more than $2 million in JTPA education set-aside money directly to the state office of adult education.

Overall, however, despite JTPA's mission to improve the employment prospects of the nation's poor, and despite the increasing demands in the workplace for higher competencies, JTPA supports relatively little remedial and academic instruction. While a few states and localities use JTPA funds extensively in their literacy and adult education efforts, most do not.

Outside of North Carolina and Georgia—where it is the community colleges and not the public schools which administer the Adult Education Act programs—the South's technical colleges do not see improving the literacy skills of undereducated adults as a primary mission

Community and Technical Colleges

Community colleges and technical institutes have become the other significant providers of adult education and training in the South. Historically, vocational education has been taught at the high school level. Over the past quarter century, however, hundreds of post-secondary training institutions have emerged across the nation to help adults prepare for work. North Carolina, for instance, now has a system of 58 technical and community colleges which enroll over 650,000 students each year.

Because literacy training is a slow and expensive process, and because turnover is typically high among lower-echelon employees likely to need remedial instruction, relatively few undereducated workers are offered literacy training by their employers.

Over time, these technical schools have become important economic development tools for Southern states, often providing free customized skill training as an incentive to lure new industrial plants. In addition, they have served as a ladder for millions of Southern adults—high school graduates as well as dropouts—in developing skills to succeed in the labor market.

Supported principally by states and localities, these two-year post-secondary schools receive supplemental funds from the federal Carl Perkins Vocational Education Act. Passed in 1984, this act provides about $850 million in federal funds each year to enhance the quality of secondary and post-secondary vocational education programs and to ensure that vocational education programs serve those with special needs.

As the literacy demands on the workforce increase, and shortages of skilled employees become more severe, the challenges facing technical schools grow. These institutions must prepare workers for an economy in rapid transition, fueled by new technology and demanding ever higher skills, while at the same time working with undereducated adults who often lack even basic academic skills.

In the future, vocational education will have to integrate training of basic academic skills and job-specific skills. Currently, classes which lead to two-year associate or technical degrees—in such areas as nursing, industrial arts, or clerical work—typically require a high school degree for admission. Meanwhile, occupational programs open to dropouts—such as carpentry, welding, auto mechanics, etc.—have often not required or taught basic academic skills.

Many two-year colleges have learning labs that offer tutoring and remediation to students

[4] Ibid.

with difficulties in reading and math, and some colleges place students in remedial education classes designed to improve their skills prior to enrolling in certificate or degree programs. For the most part, however, outside of North Carolina and Georgia[5]—where it is the community colleges and not the public schools which administer the Adult Education Act programs—the South's technical colleges do not see improving the literacy skills of undereducated adults as a primary mission.[6]

Industry-Based Training

According to the American Society for Training and Development (ASTD), private companies spent approximately $210 billion to train and educate their employees in 1985—almost as much as was spent for all elementary, secondary, and post-secondary education nationwide.[7] Yet because literacy training is a slow and expensive process, and because turnover is typically high among lower-echelon employees likely to need remedial instruction, relatively few undereducated workers are offered literacy training by their employers.

Most counties in the South now have at least one local literacy council, though the size and effectiveness of these councils vary widely...Many literacy councils—including more than sixty of the 74 in North Carolina—operate on a shoestring without any paid staff.

Though it lacked hard data, ASTD guessed that basic skills training accounts for 1 percent of the dollars spent by private firms for employee education and training—most of it concentrated in very large companies and among companies which hire large numbers of non-English-speaking workers.

In the South, most employers which provide workplace literacy instruction simply invite the public agency responsible for adult education programs to operate classes at their worksites. Sometimes the companies will allow employees to be paid during all or part of the time spent studying. More often the employees must study on their own time. A fall 1987 Department of Education survey found 132 workplace programs in nine Southern states. The total number of workplace programs in the region is much higher, although many of the programs work with only a handful of employees at a time.[8]

In recent years, the introduction of automated technologies has prompted a small but growing number of large companies in the South to develop their own basic education programs for employees. When the Georgia Power Company began dispatching its field maintenance trucks by computer, rather than by verbal instructions, it found that many employees were unable to adapt. As a result, the company hired a literacy specialist to design a customized literacy curriculum to prepare employees for the new dispatching system.

Overall, however, as McGraw-Hill Chairman Harold McGraw recently lamented: "The majority of corporations still do not recognize that they have or will shortly face a serious skills problem in their own workforce."[9]

Donors, Volunteers, and Libraries

Some private corporations also offer donations to public and private efforts to combat illiteracy. The Gannett Foundation, for instance, has spent upwards of $5 million across the country over the past several years to combat illiteracy, including hundred thousand dollar grants to several Southern states to foster coordination among the various providers of literacy services. Harold McGraw, of McGraw-Hill Books, launched a Business Council for Effective Literacy in 1983. In its quarterly newsletter, the Council announces dozens of corporate and private gifts to literacy providers. In Virginia, a newly formed Literacy Foundation has already

[5]Georgia has just recently switched the responsibility for administering adult education programs away from the public schools and into the community colleges.

[6]For more background on the importance and changing role of community colleges, see *The Bridge to the Next Century: A Commentary by the MDC Community College National Advisory Panel for the Commission on the Future of the North Carolina Community College System*, (Chapel Hill, NC: MDC, Inc., May 1988)

[7]See Carnevale, Anthony P., "The Learning Enterprise," *Training and Development Journal*, January 1986 (reprinted by the American Society for Training and Development).

[8]*Let ABE Do It: Basic Education in the Workplace*, edited by Jorie Lester Mark (Washington, DC: Division of Adult Education, U.S. Department of Education, Fall 1987).

[9]*Business Council for Effective Literacy*, Quarterly Newsletter, New York, NY, January 1988.

raised more than $2 million in private contributions. While these and all other private gifts are valuable in the South's efforts to promote literacy, however, they continue to represent only a small fraction of the total funding for adult education in the South.

The final providers of literacy and adult education training and resources are volunteer groups and other nonprofit agencies. More than 25,000 people in the South volunteer each year to tutor, and volunteer literacy councils reported serving 30,000 adults in 1986. The principal role of these tutors is to work one-on-one with beginning adult readers. Typically, it will take two years or more of work with a tutor for a nonreader to reach the fourth grade reading level.

Most volunteer tutors in the South are organized into local literacy councils affiliated with one of two national literacy organizations—Laubach Literacy Action and Literacy Volunteers of America. Both of these groups were launched in Syracuse, New York, in the late 1960s and early 1970s, and both have since organized chapters throughout much of the nation. Most counties in the South now have at least one local literacy council, though the size and effectiveness of these councils vary widely. Some local literacy councils have a part-time or full-time paid coordinator to recruit and train volunteers, raise funds, recruit students, and purchase instructional materials. Many literacy councils—including more than sixty of the 74 in North Carolina—operate on a shoestring without any paid staff.

The literacy work of volunteer councils, community-based organizations, and public school systems is often supported by public libraries. The roles played by libraries in supporting literacy varies significantly from community to community: Some work to promote public awareness of the literacy problem, others recruit volunteers or provide meeting space and materials. A few manage their own literacy programs—recruiting both volunteers and students and overseeing the instruction.

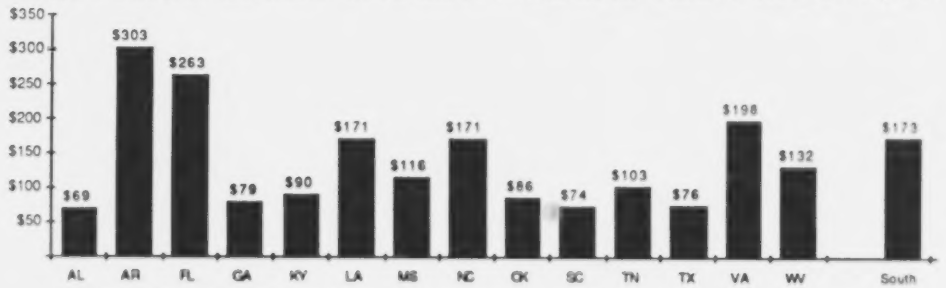
Beginning in 1986, the federal government has allocated a small portion of its funding for public libraries to enhance this library literacy mission. In the first year, 239 grants totaling $5 million were approved to support literacy projects undertaken by state and local libraries. These projects were all necessarily modest—due to a maximum of $25,000 established for each grant.

THE ADULT EDUCATION ACT: A CLOSER LOOK

Though there are any number of agencies, organizations, and individuals in the South concerned with literacy and active in providing literacy services, the vast majority of instruction offered to undereducated adults in the South continues to come through programs supported by the Adult Education Act. As Congressman Jim Cooper concluded after organizing and chairing a task force on the illiteracy problem in his home state of Tennessee: "In practice in Tennessee, if it were not for the Adult Education Act there would not be a literacy effort."[1]

The answer to the literacy problem will not be found by simply increasing the budgets of existing adult education programs to do more of what they have been doing. The adult education system has not yet established a solid foundation on which a significantly larger and more effective program can be built.

Figure 10
Average Cost per Student* in Adult Education for Southern States, 1986



*Based on data from the U.S. Department of Education plus additional data compiled by MDC, Inc.
Source: MDC, Inc.

The Adult Education Act has never been funded at a level sufficient to provide much more than a token response to the nation's literacy needs.

Unfortunately, this Act has never been funded at a level sufficient to provide much more than a token response to the nation's literacy needs. In the South, adult education programs reach about 5 percent of the undereducated population, and the average expenditure per adult education student in the South was $173 in 1986—compared to $2,000-3,500 spent for each pupil in public schools. Excluding the state of Florida, the region's average expenditure per student was $111. Because of these limited funds, few adult education programs can afford to operate year-round. Many run for as little as 120 days per year, providing their students just a few hours of instruction per week.

Despite these funding constraints, the answer to the literacy problem will not be found by simply increasing the budgets of existing adult education programs to do more of what they have been doing. The adult education system has not yet established a solid foundation on which a significantly larger and more effective program can be built for the future. Standards of program quality have never been developed for adult education programs; thus adult educators are not held accountable for outcomes of their

[1] Cited in "Reauthorization of Expiring Federal Elementary and Secondary Education Programs: Adult Education," Hearings before the Subcommittee on Elementary, Secondary, and Vocational Education of the Committee on Education and Labor, U.S. House of Representatives, Volume 5, March 26, 1987.

programs. Meanwhile, the available evidence suggests that most adult education programs in the South are seriously handicapped in their ability to respond to the literacy needs both of adult learners and of employers.

MDC was told that as many as half of all adults who enter adult education classes leave within a short period without improving their literacy skills significantly.

Responding to the Needs of Adult Learners

Many functionally illiterate adults retain their anxiety about education from negative childhood experiences at school. Most have developed elaborate coping mechanisms to compensate for their lack of literacy skills. Functional illiterates are often poor, lacking in self-confidence; and many have difficulty finding transportation to and from adult education classes. Many must work multiple jobs or irregular hours to make ends meet. As a result, student recruitment poses a continuing challenge for adult education programs.

Moreover, those who do choose to enroll in adult education classes come with a wide range of goals, expectations, and needs. Because of their varied backgrounds and learning styles, undereducated adults respond differently to different modes of instruction. Some adults, for instance, learn best through a step-by-step curriculum of structured lessons, while others progress more quickly when they are allowed to learn by doing tasks closely related to their day-to-day lives—reading a newspaper, filling out office paperwork, or reading blueprints and instruction manuals. Some adult learners function best with an individualized, self-paced study regimen; others require the support of a group environment.

For all of these reasons, the challenges associated with teaching undereducated adults are far different and in many ways more difficult than those associated with teaching elementary or secondary school children. And, sadly, the available evidence suggests that many adult education programs are not meeting these challenges effectively.

In confidential interviews with adult education professionals, MDC was told that as many as half of all adults who enter adult education classes leave within a short period without improving their literacy skills significantly. The official dropout or "attrition" rates reported by states are highly unreliable—ranging from 3.2 percent reported in South Carolina to a more realistic estimate of 67.0 percent in Kentucky.

Adult education programs are subject to a number of common flaws and weaknesses. While many can be traced to a lack of money, others are rooted in the culture of the adult education system which has evolved over the past twenty-five years.

The vast majority of adult education instructors work either part-time (57 percent) or as volunteers (33 percent), and there is heavy turnover. Training both for instructors and administrators remains cursory—only a few hours per year in many cases. And because of large class sizes and limited resources, adult education teachers often lack the flexibility to address the varied goals of their students and to provide the individualized attention these students require.

In addition, adult education programs often suffer from weak administration. Outside of North Carolina and Georgia, adult education programs are administered through state boards of education which see their primary mission as

At the local level, adult education has often been seen as a dead-end occupation for school administrators, rarely attracting the best and brightest in the education field.

educating children. At the local level, adult education has often been seen as a dead-end occupation for school administrators, rarely attracting the best and brightest in the education field.

Some literacy experts argue that community-based organizations—groups developed from within poor communities and often focused on a broad range of poverty issues—are more able than school-based adult education programs to reach and motivate those adults who most often suffer from weak literacy skills. The quality of instruction, however, varies widely.

Often, there has been considerable friction between these community-based literacy providers and the more traditional public school literacy programs. Community-based organizations and literacy councils frequently complain that public school programs, which control the

bulk of public expenditures for literacy, do not dig deep enough into the poorest communities or work with the least literate citizens.

Addressing this concern, Congress passed an amendment to the Adult Education Act in 1978 requiring states to target their literacy efforts to the most needy and encouraging them to fund community-based projects. In a handful of states, community-based organizations now receive a large portion of all adult education program funds, but community-based literacy education is not prevalent in any Southern state.

Community-based organizations and literacy councils frequently complain that public school programs, which control the bulk of public expenditures for literacy, do not dig deep enough into the poorest communities or work with the least literate citizens.

Overall, the Department of Education estimates that community-based literacy programs, libraries, and volunteer literacy organizations in the South together received less than 2 percent of all adult education act funds in 1987.

Meanwhile, without counselors, without significant training for teachers, without the time or resources to provide individualized attention to adult learners, most adult education programs in the South are unable to stem the dropout problem. And without dedicated outreach workers, the South cannot recruit enough new students to make significant progress in addressing the literacy problem.

Incorporating Modern Technology

Research has shown that new technologies can significantly accelerate the pace of learning for adults. Officials with the Comprehensive Competencies Program, a Ford Foundation supported remediation and basic education project, report that students in their computer learning centers improve their academic competencies by an average of 1.1 grade levels in reading and 1.6 grade levels in math in 50 hours of instruction—more than four times faster than the common adult basic education goal of one grade level in a subject per 100 hours of instruction.[2] These impressive gains come despite the fact that the major computer firms have only recently entered the adult literacy field.

There are no data on the number of adult education programs which utilize computers, but, particularly outside of major metropolitan areas, computer-assisted instruction clearly remains the exception rather than the rule. Instead, most adult education students are taught with pencil and paper. In some cases, the instructional materials are thinly disguised adaptations of texts and workbooks prepared for children in elementary and secondary schools.

Responding to Business and Industry

In March 1988, the U.S. Departments of Labor and Education reported that:

> In many schools and basic skills courses, students are taught reading skills separately from writing skills, and reading and writing separately from computational, oral communication, or any other set of skills. When these students become employees, they need to integrate and apply skills to accomplish tasks, solve problems, and make decisions...[3]

Recent research in adult education has found that literacy in the workplace requires not only the abilities to read, write, and compute, but also the capacities to use these basic skills to communicate with other employees and solve problems on the job. In addition, Army researchers have found that soldiers can improve their capacity to read and understand specific materials required for their jobs three times as fast as they can improve their general reading and math skills.[4]

Adult education programs are typically geared to enable adults to attain general academic competencies...These programs have neither the resources nor the expertise to analyze the occupationally-specific literacy demands of particular jobs or to design customized curricula to bring workers up to the required standards.

[2] Figures cited by Dr. Robert Taggart in "Solving the Basic Skills Crisis," Testimony before the U.S. Senate Committee on Labor and Human Resources, January 14, 1987.

[3] *The Bottom Line: Basic Skills in the Workplace* (Washington, DC: U.S. Department of Labor and U.S. Department of Education, March 1988), p. 35.

[4] See Sticht, Thomas G., and Larry Mikulecky, *Job-Related Basic Skills: Cases and Conclusions* (Columbus, OH: National Center for Research in Vocational Education, 1984).

Based on these findings, the military services have developed a range of job-specific training programs—often using computer-assisted instruction—to enable their enlisted personnel to operate sophisticated military equipment and to perform in complex jobs. Outside the military, however, these lessons have not spread to the adult education system.

One problem is the curriculum: Adult education programs are typically geared to enable adults to attain general academic competencies equivalent to an 8th grade education (i.e., graduate from "Adult Basic Education" to "Adult Secondary Education" classes) and then to obtain a high school diploma or equivalency. These programs have neither the resources nor the expertise to analyze the occupationally-specific literacy demands of particular jobs or to design customized curricula to bring workers up to the required standards.

A related problem is the failure of the adult education system to work in concert with job training programs. Undereducated adults—who make up 50 to 75 percent of all unemployed and dislocated workers—are often unable to participate in JTPA programs and community or technical college training because of their basic skill deficiencies.

"the entire national literacy effort is... [hampered] by the haphazard and fragmented manner in which information about programs, enrollments, funding, and other such important variables is collected."...Without reliable data, it is difficult to evaluate the effectiveness of differing programs, curricula, and teaching techniques in adult education.

Clearly, a major goal of adult education and literacy programs should be to provide remedial instruction that prepares these undereducated adults for occupational training. Yet in 1986, less than 60,000 of the South's one million adult education students enrolled in further education and training. And a survey of community colleges in North Carolina found that less than 6 percent of students in its occupational programs had previously enrolled in adult basic education or pre-GED classes.[5]

Maintaining Accountability

The Business Council for Effective Literacy recently warned that "the entire national literacy effort is... [hampered] by the haphazard and fragmented manner in which information about programs, enrollments, funding, and other such important variables is collected. Not only is there no central source attending to this need, but most components of the providing system do not themselves have the capacity to collect such data or to collect it in a useful way."[6]

The adult education system today suffers a shortage of relevant statistical measures of program quality. Unlike elementary and secondary education, literacy and adult education programs are not scrutinized on the basis of teacher salaries, standardized test scores, or student attendance. Data on dropout rates and per-pupil expenditures are reported for adult education programs, but among those surveyed by MDC they are widely regarded as inaccurate. Unlike the few JTPA programs which provide remedial instruction (mostly for youth), there is often no pre- or post-testing of participants in adult education programs to determine the extent of improvement in literacy skills; and where such testing has taken place, it is generally not reported publicly.[7]

This lack of data is a critical barrier to improving the scope and quality of adult education programs. Without reliable data, it is difficult to evaluate the effectiveness of differing programs, curricula, and teaching techniques in adult education. Also, without data to prove that adult education programs are paying dividends, private employers and public officials will be reluctant to allocate additional resources needed to formulate a comprehensive effort to improve Southern literacy.

While acknowledging the need for increased accountability, however, experts warn that measuring the effectiveness of adult education and literacy programs is a complex task. Arlene Fingeret, an expert on literacy at North Carolina State University, explains: "We need to tackle the accountability question, but we need to be careful. It would be a big mistake to

[5] Lincoln, Carol A., and R.C. Smith, *Lifetime Learning: A Study of Retention in the North Carolina Community College System*, MDC, Inc., April 1987.

[6] *Business Council For Effective Literacy*, Quarterly Newsletter, New York, NY, January 1988.

[7] The Department of Education in Washington is now considering new regulations to require pre- and post-testing.

base our evaluation solely on the abstract notion of grade-level increases as measured by standardized tests. Instead, we need to develop a range of indicators to measure how well our programs respond to the specific goals of the individual student."[8]

Conclusion

Measured against the needs of the South's undereducated adult population and the needs of Southern business and industry forced to compete in a complex and competitive global marketplace, current efforts to enhance the literacy of the Southern labor force are inadequate. In 1986, more than twice as many people dropped out of Southern high schools as received GEDs or adult high school diplomas. In other words, our educational system is losing more students than it is reclaiming.

In recent years, there has been clear movement in the South to raise the credibility and the effectiveness of literacy and adult education programs. Yet, this movement is only a first step toward a comprehensive, regionwide assault on functional illiteracy.

Virginia, for instance, has been as active as any Southern state over the past several years in improving literacy programs. Yet among the goals set forth recently by the state are that by 1990: (1) every undereducated adult will live within one hour's drive of an adult literacy program; and (2) literacy and adult education programs will triple their enrollment to 60,000—still less than 7 percent of the state's 900,000 undereducated adults.

There is progress, yes, but a solution to the literacy problem remains far in the distance.

[8] Interview with the author, July 1988.

MEETING THE CHALLENGE

Perhaps the best way to understand both the inadequacies and the potential of the South's current literacy efforts is to examine the models scattered around the region that are effectively addressing the literacy needs of Southern adults and employers. From them we can see how far it is that the South must go, and from them we can begin to piece together an agenda for action.

State Support. Florida is the one state in the South that has made a significant investment in improving the literacy skills of the adult population. The state is home to 12.6 percent of the South's undereducated adults, yet it enrolls almost 40 percent of all adult education students in the South. With a budget of $108 million dollars, Florida provided more than 60 percent of all dollars spent on adult education in the region in 1986.

Using these funds, Florida reaches one out of every six adult dropouts. The other Southern states reach an average of one in thirty. Moreover, Florida spends more than $250 per adult education student, compared to an average of $111 per student in the other Southern states.

Job-Related Basic Skills. In 1986, Mid-South Industries opened a new, highly automated plant in Annville, Kentucky, where three-fourths of all adults were dropouts. With start-up funding from Kentucky's Bluegrass State Skills Corporation and JTPA, Mid-South brought dozens of local workers to a local training center, paying them $3 an hour. Day in and day out for six months, Mid-South's trainers taught the workers basic literacy skills as well as more technical aspects of the Mid-South production process. Many of the trainees earned GEDs during this period, and all learned to operate and understand Mid-South's production technologies.

According to the Southern Technology Council, "The training program was not what states refer to as customized training, which prepares employees to perform a specific function in a specific setting. It was a combination of education and training intended to prepare well-rounded flexible workers."[1]

Computerized Instruction. Several years ago, a new literacy and adult education center opened up in a storefront at Charlotte, North Carolina's Freedom Mall. The program, called Adult Basic Literacy Education (ABLE), used the latest computer technology, combined with tutoring and instruction, to assist adult learners in overcoming their educational deficiencies. The initial year of the program was paid for with $300,000 in community donations. Since then, ABLE centers have been opened at six other sites, all funded out of the adult education budget of the local community college.

Unlike traditional adult education programs, there are no scheduled classes at the ABLE centers. Instead, students come and go as they please, and the labs are open each day from morning until evening. Six hundred and fifty adults visit the ABLE centers each quarter. According to the ABLE staff, these participants increase their reading and math skills by an average of one grade level for every 40-50 hours of instruction, several times faster than students in most adult education classes.

Community Leadership. Five years ago, John Daschler, an executive with Unituft, Inc., a carpet manufacturing firm in Dalton, Georgia, decided to do something about the limited literacy skills of his local labor force. More than half of the adults in his county did not have a high school diploma, and the ranks of the dropout population were swelling each year: Fifty percent of the high school students in Dalton were leaving school before graduation. In surrounding Whitfield County, the dropout rate was 37 percent.

[1] See *Reviving the Rural Factory: Automation and Work in the South*, Southern Technology Council, 1988.

Working with the local chamber of commerce, Daschler helped create a local foundation to address the dropout and literacy problems. Through the foundation, almost three hundred local employers have signed a pledge not to hire anyone 18 or younger who has dropped out of school. In addition, employers have provided a series of incentives to encourage youth to stay in school. Thus far, the dropout rates in Dalton and Whitfield County have been reduced by more than 13 percent. Meanwhile, more than a dozen local employers have worked with local adult education providers to set up literacy programs in the workplace.

Intergenerational Literacy. Studies consistently document the correlation between the educational attainment of children and that of their parents. A literacy program based in Kentucky and called Parent and Child Education (PACE) is attempting to break this intergenerational cycle of illiteracy by working simultaneously with parents and their pre-school children. Parents are provided with instruction in both adult basic education and in parenting skills, while the children receive a Head Start-type curriculum.

The project, which began in several rural Kentucky counties with extremely low educational attainment rates, is currently being tested in the Louisville area. With a $750,000 foundation grant from the Kenan Charitable Trust, the Southern Regional Education Board will soon try the model at several sites in North Carolina, and a longitudinal study will be undertaken to measure the program's long-term impact.

The climate surrounding literacy has changed profoundly since 1966. Congress has by now succeeded in making literacy programs available throughout most of the nation. At the same time, the weaknesses of these existing literacy programs—as described in the previous chapter—are increasingly apparent. In short, the time has come to rethink and reshape the federal role in literacy—to set more specific goals and invest more strategically.

The Need for Federal Leadership

Taken together, these programs begin to describe the types of state, local, and private initiatives that will be required in the future if the South is to meet its literacy challenge. And clearly, it is at the state and local levels that the struggle for Southern literacy will be won or lost.

Yet, in looking back on the history of American efforts to combat illiteracy in this century, the federal government has been an essential catalyst. When the Adult Education Act was passed in 1966, its primary intent was to spur states and localities into action. In that spirit, the federal government agreed to pay up to 90 percent of all program costs, allowing state and local adult education administrators to spend the money largely as they pleased. The climate surrounding literacy has changed profoundly since 1966. Congress has by now succeeded in making literacy programs available throughout most of the nation. At the same time, the weaknesses of these existing literacy programs—as described in the previous chapter—are increasingly apparent.

The challenge for the South and the nation in addressing literacy needs over the coming years will be to transform the current literacy effort into an integrated, accountable, comprehensive system for teaching undereducated adults.

In short, the time has come to rethink and reshape the federal role in literacy—to set more specific goals and invest more strategically. In amending the Adult Education Act earlier this year, the Congress took some initial steps in this direction. The economic costs of the Southern literacy gap, however, and the deep-rooted limitations of the existing literacy efforts, dictate more aggressive action.

Specifically, there are three primary needs on which the federal government must concentrate if adult education efforts are to be effective in the future: (1) to enhance the quality and accountability of adult education programs; (2) to establish labor force development as a central goal of adult education programs; and (3) to increase the level of funding and support for adult education at all levels of government and in the private sector.

1. Enhance the quality and accountability of adult literacy programs.

The challenge for the South and the nation in addressing literacy needs over the coming years will be to transform the current literacy effort into an integrated, accountable, comprehensive system for teaching undereducated adults. Given the limitations on overburdened states and localities, this transformation will require Congress to set the tone and provide the necessary information, support, direction, and leadership.

Currently, the Adult Education Act provides for program development by requiring states to set aside 10 percent of their federal grants to support special projects for training and research. While the projects funded by states have often been valuable, they have not been adequate to ensure high quality programs. Meanwhile, federally initiated research, demonstration, and training efforts—which were well funded in the early years of the Adult Education Act—have been extremely limited over the past fifteen years.

In the future, the federal government will have to take a more active role in promoting program development. The recent amendments to the Adult Education Act authorized spending of up to $3 million per year on research and development. This cap should be raised. And over time, the federal government should consider funding regional centers for literacy development. By moving research and program development activities outside of Washington and closer to the states, Congress could ensure that research would be responsive to regional, state, and local concerns. At the same time, these centers could address issues and develop expertise beyond that possible for any individual state.

In setting priorities for these program development activities, several specific needs are most critical:

(a) **Data:** A primary responsibility of the federal government should be to provide relevant, up-to-date data and information necessary for states and communities to analyze local literacy needs and plan effective programs. The 1988 amendments to the Adult Education Act provided funds to support a national survey measuring the academic and functional literacy skills of adults nationwide. The survey will offer a significantly richer portrait of adult literacy needs than does educational attainment data from the Census. This survey is an important step in improving the information base for literacy programs, and it should be repeated on a regular basis to maintain an ongoing profile of adult literacy in America.

(b) **Program Research:** A critical need exists today in the adult education system for practical, down-to-earth information about how to run effective programs for adult learners. Congress should respond to this need by authorizing the Department of Education to fund an array of research and demonstration projects to test, study, and publicize innovative programs, practices, and curricula. Also, ongoing research into the learning styles of undereducated adults—as compared to children, for instance, or adults in higher education—will be necessary for improving the quality of adult education instruction. In short, the Congress should make advancing the state-of-the-art in adult education programs a strategic goal of the Adult Education Act.

(c) **Training:** "It is commonly recognized that a far greater degree of professionalism must be brought to the [literacy] field if instruction is to be effective and to have lasting value," reported the Business Council for Effective Literacy in January 1988. "This will take a massive effort to train more qualified teachers and pay them, develop more supervisory and management personnel...and provide incentives to give full professional stature to the field itself."[2]

[2] *Business Council for Effective Literacy*, Quarterly Newsletter, New York, NY, January 1988.

During the first decade of the Adult Education Act, the federal government spent up to $3 million per year specifically to support training of adult education teachers and administrators. Since then, the states and localities have been solely responsible for training. Today, the Department of Education should explore strategies to assist the states in ensuring that instructors receive adequate training, including the possibility of creating regional centers to conduct training for literacy professionals.

(d) **Promoting Effective Use of Technology:** Computer-assisted instruction, interactive video disks, television, and other modern technologies must be incorporated more fully into literacy and adult education programs. Each of these technologies shows significant promise for improving the pace and effectiveness of instruction, yet federal funding to support their development has been minimal. Federal efforts should include research, development, and testing of both computer hardware and software, as well as training for literacy providers in how to utilize computers effectively in their programs.

(e) **Support for Alternative Literacy Providers:** Congress should consider earmarking funds specifically for use by community-based literacy providers and volunteer literacy councils. Community-based organizations receive only a small portion of adult education funds in the South, yet these groups are typically more sensitive to the needs of adult learners than traditional, school-based programs.

Congress should also consider setting aside funds to support paid staff for local volunteer literacy councils. While these councils tutor a relatively small number of adults each year, they remain the principal providers of instruction for the least literate of the Southern population. Effective volunteer councils require recruitment, training, advertising, and fund-raising, all of which are difficult without paid staff.

(f) **Accountability:** Accountability is the final area where federal assistance is critically needed. The 1988 amendments to the Adult Education Act require states for the first time to evaluate the effectiveness of local programs in meeting established program goals. Yet, these evaluations will be of limited value unless they are based on accurate and relevant data as well as accepted measures of program performance.

As a first step, the federal government should tighten state and local reporting requirements—offering clear definitions for required data on funding, enrollment, attrition, modes of instruction offered, and instructor status and training. In the long run, the Department of Education should work with adult education professionals to devise an acceptable system for measuring the performance of state and local programs in helping undereducated adults to achieve their individual goals.

2. Establish "Labor Force Development" as a Direct Goal of Adult Education.

Ever since it was first passed in 1966, a stated goal of the the Adult Education Act has been to improve the basic education of adults "in preparation for occupational training and more profitable employment." Yet the relationship between the adult education classes and the world of work has never been strong. Today, the demands of the global economy make this goal increasingly central to the South's competitiveness.

Currently, it is rare for employers and adult educators to work together in providing job-specific literacy skill training. Such partnerships have the potential to meet both the training needs of employers and the educational needs of employees. The Department of Education recently set aside $9.6 million for model

Ever since it was first passed in 1966, a stated goal of the the Adult Education Act has been to improve the basic education of adults "in preparation for occupational training and more profitable employment." Yet the relationship between the adult education classes and the world of work has never been strong. Today, the demands of the global economy make this goal increasingly central to the South's competitiveness.

workplace literacy partnerships, and the Congress has authorized (but not yet appropriated) funding of $30 million for these partnerships next year.

As a first step, Congress should appropriate these workplace literacy demonstration funds. Over time, Congress should establish mechanisms to facilitate these partnerships at the state and local levels. A modest federal block grant program—matched at the state level and administered by statewide boards or commissions representing business and education—might open the door to much more significant cooperation between government and industry to promote workforce literacy. A promising model is the state skills corporations—such as those in Florida and Kentucky—which provide seed money and technical assistance for employer-based training programs.

Adult education programs also need to work more closely with providers of occupational training—particularly community colleges and the JTPA system. A large percentage of the South's unemployed, its dislocated workers, and its working poor lack the basic academic competencies necessary to qualify for or succeed in job training programs. Yet adult education programs do not typically provide targeted, intensive remedial instruction that responds specifically to this need. Even in North Carolina—where adult education and occupational training are both provided through community colleges—there is insufficient dialogue between adult educators and occupational trainers.

A primary goal of federal literacy policy should be to encourage the adult education system to bridge this gap and become a feeder system for occupational training. Federal programs should aim to help adult education programs transcend their emphasis on general education and their historic isolation, and to overcome their lack of resources and expertise to address the literacy demands of the workplace.

Specifically, the federal government should fund projects to demonstrate how effective referral systems can be built between adult educators and job trainers—and how the two groups can work together to identify the literacy requirements of occupational training classes and design customized prevocational basic skills curricula for those adults who are deemed unready for training.

In addition, the Congress might consider targeting part of JTPA's $150 million per year educational set-aside for programs to provide poor, undereducated adults with the remedial instruction they need to qualify for occupational training.

David Harman, one of the nation's foremost literacy experts, estimates that it would cost the nation—all levels of government plus the private sector—$8-10 billion per year to serve 15 million adults effectively in literacy and adult education programs. In 1986, reported public expenditures were less than $500 million. Though public and private funding for literacy are on the increase, they remain far short of the current need.

3. Increase Financial Support for Adult Literacy Education from all Sectors.

While the above efforts can play a crucial role in improving the effectiveness of adult education programs, they will not solve the South's literacy problems unless overall funding for adult education increases significantly over time. David Harman, one of the nation's foremost literacy experts, estimates that it would cost the nation—all levels of government plus the private sector—$8-10 billion per year to serve fifteen million adults effectively in literacy and adult education programs.[3] In 1986, reported public expenditures were less than $500

[3] Harman, David, *Turning Illiteracy Around: An Agenda for National Action (Working Paper Number 2)*, New York, NY: Business Council for Effective Literacy, 1985.

million. Though public and private funding for literacy are on the increase, they remain far short of the current need.

The federal government can help increase funding for the national literacy effort in several ways:

(a) **Continue to Highlight the Problem:** The federal Adult Literacy Initiative, along with Project Literacy U.S., have significantly heightened awareness of the literacy problem, leading to increased support for public and private literacy programs throughout the country. The federal government should continue its efforts to focus attention on the literacy issue, particularly on the growing economic costs of the workforce literacy gap;

(b) **Increase the Required State Match for Adult Education:** The 1988 amendments to the Adult Education Act call for an increase in the required state and local matching funds from 10 percent of total program costs to 25 percent by 1992. In order to maximize the impact of federal dollars, Congress should consider raising the matching requirement even further—up to 50 percent or perhaps even higher.

(c) **Encourage Private Sector Support:** The federal government should pursue two avenues to encourage employers to increase their support for efforts to develop a more literate workforce. First, the Department of Education should continue to educate business leaders about the growing costs of the workforce literacy gap and its implications for U.S. economic competitiveness. Second, it should provide incentives for employers to participate actively in adult education by designing programs that respond specifically to employer needs.

(d) **Increase and Target Federal Funding:** The federal government cannot and should not pay all of the costs necessary to develop a comprehensive literacy program. But given the critical role the federal government must play in the literacy arena, and given the tremendous costs of illiteracy to individuals, businesses, and taxpayers, the current level of federal support is inadequate.

Consider that the federal government spends $4.96 billion per year on remedial education in the public schools—more than forty times more than the $102 million federal budget for adult education in 1986—despite the fact that more than four-fifths of those who will comprise the workforce in the year 2000 have already reached working age. And consider the Department of Labor's estimate that the costs of illiteracy in just eight Southern states comes to $57 billion per year. Finally, consider the critical needs in our current system for delivering adult education—needs for better data, for more program research, for training, for the development of new teaching technologies, and for new programs to promote effective workplace literacy partnerships.

Economic, demographic, and technological changes have made literacy a problem that none of us can afford to ignore—not the Congress, not Southern states and communities, and not the private sector.

Indeed, the fires of illiteracy still rage in the South, threatening to consume the region's prosperity. Surely, if an accountable, effective system of adult literacy instruction can be developed, both the Congress and South will invest in more than a bucket brigade to combat the flames.